

UTAH OIL AND GAS CONSERVATION COMMISSION

REMARKS: WELL LOG _____ ELECTRIC LOGS _____ FILE ☒ WATER SANDS _____ LOCATION INSPECTED _____ SUB. REPORT/abd. _____DATE FILED **1-23-91**

LAND: FEE & PATENTED

STATE LEASE NO.

PUBLIC LEASE NO.

INDIAN **14-20-H62-4376**DRILLING APPROVED: **1-29-91**

SPUDDED IN:

COMPLETED: **9-18-92 LA** PUT TO PRODUCING:

INITIAL PRODUCTION:

GRAVITY A.P.I.

GOR:

PRODUCING ZONES:

TOTAL DEPTH:

WELL ELEVATION:

DATE ABANDONED:

FIELD:

UNDESIGNATED

UNIT:

COUNTY:

UINTAH

WELL NO.

UTE 17-1**API NO. 43-047-31941**LOCATION **549' FSL**

FT. FROM (N) (S) LINE.

1832' FWL

FT. FROM (E) (W) LINE.

SE SW**1/4 - 1/4 SEC. 17**

TWP.

RGE.

SEC.

OPERATOR

TWP.

RGE.

SEC.

OPERATOR

4S**1E****17****WARREN AMERICAN OIL CO.**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE ☐

MULTIPLE
ZONE ☐

2. NAME OF OPERATOR

Warren American Oil Company

3. ADDRESS OF OPERATOR

P.O. Box 470372 Tulsa, Oklahoma 74147--372

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)*

At surface

549' FSL 1832' FWL SE SW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 Miles south of Fort Duchesne, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST
PROPERTY OR LEASE LINE, FT.
(Also to nearest drlg. unit line, if any)

549'

16. NO. OF ACRES IN LEASE

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

18. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,
OR APPLIED FOR, ON THIS LEASE, FT.

19. PROPOSED DEPTH

6500' GRRM

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4955' G.R.

22. APPROX. DATE WORK WILL START*

February 1, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	J-55 24# STC	300' new	to surface
7 7/8"	5 1/2"	J-55 17# LTC	6500' new	as required

T.D. on this well will be 6500' in the Green river F.

See:

8 Point compliance Program
13 Point Surface Use Plan
B.O.P. Diagram
Plat of Location
Cut and Fill Sheets
Topographic Map

RECEIVED
JAN 23 1991
DIVISION OF
OIL, GAS & MINING

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

[Signature]

TITLE

Agent

DATE

January 18, 1991

(This space for Federal or State office use)

API

PERMIT NO.

43-047-31941

APPROVAL DATE

APPROVED BY THE STATE
OF UTAH DIVISION OF
OIL, GAS, AND MINING

DATE:

1-29-91

BY:

[Signature]

WELL SPACING: 605-3-2

APPROVED BY

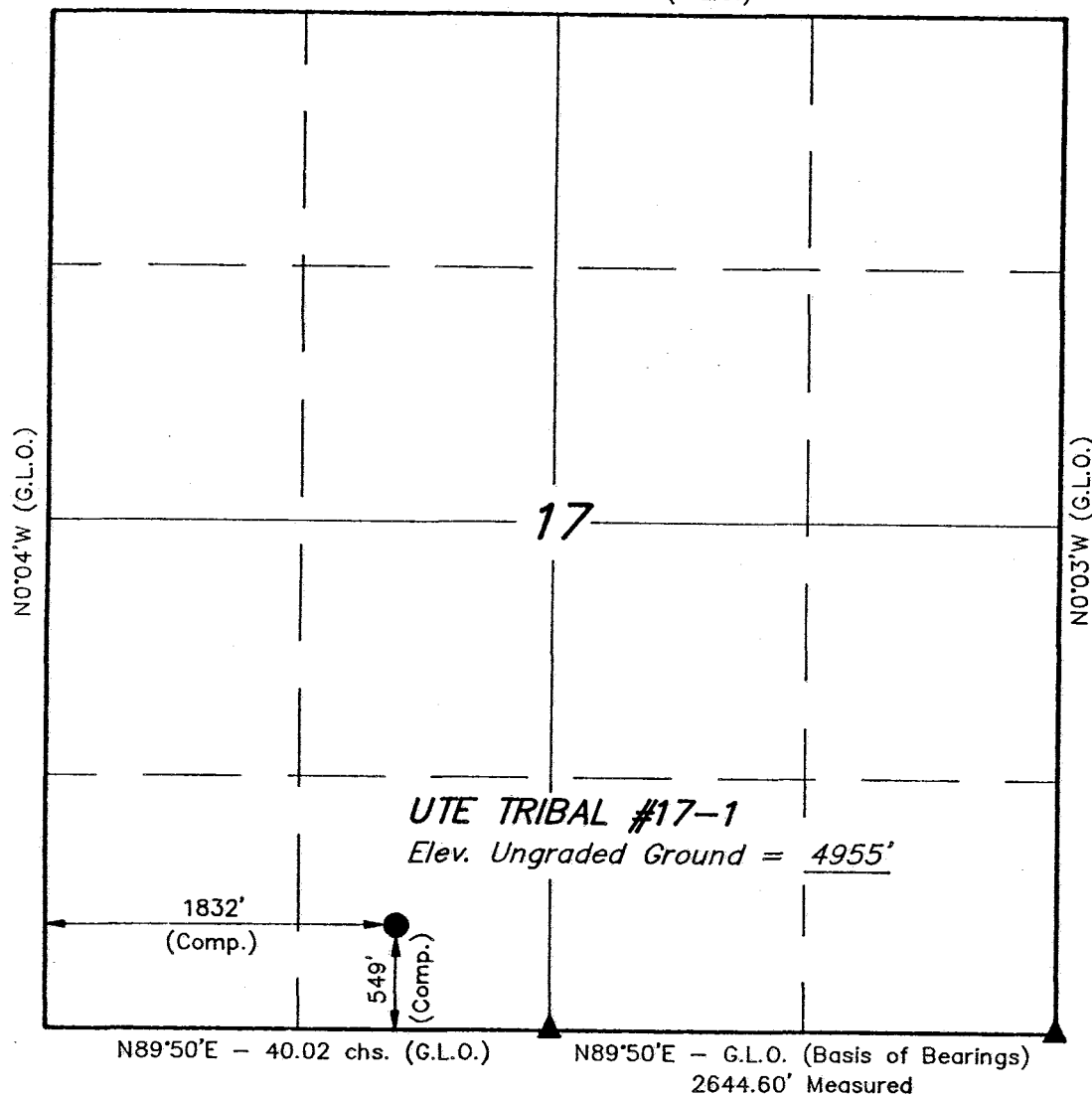
TITLE

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions On Reverse Side

T4S, R1E, U.S.B.&M.

S89°48'W - 79.96 chs. (G.L.O.)



UTE TRIBAL 17-1 BEARS N56°00'33"W
977.0' FROM THE SOUTH 1/4 CORNER
OF SECTION 17.

▲ = SECTION CORNERS LOCATED. (SET STONES)

WARREN AMERICAN OIL CO.

Well location, UTE TRIBAL #17-1, located
as shown in the SE 1/4 SW 1/4 of Section
17, T4S, R1E, U.S.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

SPOT ELEVATION AT A HILL TOP IN THE NE 1/4 NE 1/4
OF SECTION 20, T4S, R1E, U.S.B.&M. TAKEN FROM THE
WINDY RIDGE QUADRANGLE, UTAH, 7.5 MINUTE QUAD.
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY.
SAID ELEVATION IS MARKED AS BEING 5085 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE 12-11-90
PARTY L.D.T. G.T. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER COLD	FILE WARREN AMERICAN OIL CO.

8 POINT COMPLIANCE PROGRAM

WELL NAME: Warren American Ute Tribal 17-1

LOCATION: S.E. of S.W. Sec. 17, T4S, R1E. U.S.B. & M.

LEASE NO.: TL-4376

ONSITE INSPECTION DATE: 12/28/90

A. DRILLING PROGRAM

1. Surface Formation and Estimated Formation Tops:

Well will spud in the Uintah Formation.
Green River at 1500'.
Wasatch at 6500'.

2. Estimated Depth at Which Oil, Gas, Water or Other Mineral Bearing Zones are Expected to be Encountered:

	<u>FORMATION</u>	<u>ZONE</u>
Expected oil zones"	<u>Green River</u>	<u>4500' - 6500'</u>
Expected gas zones:	<u>Green River</u>	<u>4500' - 6500'</u>
Expected water zones:	<u>Upper Green River</u>	<u>0' - 4000'</u>
Expected mineral zones:	<u>None</u>	

All fresh water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

3. Pressure Control Equipment:

The rig will be equipped with 10", 3000 PSI, double ram B.O.P.'s with a 10", 3000 psi annular type B.O.P. Pipe rams and blind rams will be tested to 3000 PSI, and the annular B.O.P. will be tested to 1500 PSI before drilling out from surface casing. Pipe rams will be operationally checked each day, and blind rams every trip out of the hole. Accessories to B.O.P.'s include Kelly Cock, Floor Safety valve, and choke manifold of equivalent pressure rating. B.O.P. systems will be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to insure good mechanical working order, and this inspection will be recorded on a daily drilling report.

Preventer will be pressure tested before drilling casing cement plugs and recorded on the daily drilling report.

The District Office should be notified with sufficient lead time, in order to have a BLM representative on location during pressure testing.

4. Casing Program and Auxiliary Equipment:

300' of 8 5/8", 24#/ft. casing will be set and cemented to surface. If the well is productive 5 1/2", 17#/ft. casing will be set from surface to T.D. Cement program will be determined at that time.

Anticipated cement tops will be reported as to depth; not the expected number of sacks of cement to be used. The District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.

5. Mud Program and Circulating Medium:

0' - 4500' Drill with fresh water.

4500'-T.D. Drill with 2% KCL water.

No chromate additives will be used in the mud system on Federal and Indian Lands without prior approval to ensure adequate protection of fresh water aquifers.

6. Coring, Logging and Testing Program:

No cores or drill stem tests will be taken. Open hole logs will be DLL with Gamma Ray and Micro SFL from T.D. to 3000'. FDC and CNL from T.D. to 4000'. Mud log from 3000' to T.D.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion, will be filed with form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by authorized officer. (AO).

7. Abnormal Conditions, Bottom Hole Pressure and Potential Hazards:

The Holden 21-1 well drilled within 2 miles of here encountered H2S gas from two zones, 5578' - 5604' and 5756' - 5772' when the

well was completed. No H₂S was noted during the drilling of the Holden 21-1.

H₂S monitoring equipment will be used during the drilling operations and the mud will be monitored for H₂S as part of the mud logging operation. See H₂S Contingence Plan.

Expected bottom hole pressure is 2200 PSI.

8. Anticipated Starting Dates and Notifications of Operations:

Location Construction: February 1, 1991

Spud Date: February 3, 1991

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

The spud date will be reported to the AO within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the report will be submitted on the following regular work day. The oral report will be followed up with a Sundry Notice.

In accordance with Onshore Oil and Gas Order No.1, this will be reported on Form 3160-6 "Monthly Report of Operations", starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report will be filed with the Vernal BLM District Office, 170 South 500 East, Vernal, Utah 84078.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

Should the well be successfully completed for production the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than 5 days following the date on which the well is placed on production.

Pursuant to NTL-2B, with the approval of the District Engineer, produced water may be temporarily disposed of into lined pits for a period of up to 90 days. During the period so authorized, an application for approval of the disposal method, along with the required water analysis and other information, must be

submitted to the District Engineer.

Pursuant to NTL-4A, leasees or operators are authorized to vent/flare gas during initial well evaluation tests, not exceeding a period of 30 days or the production of 50 MCF of gas, whichever occurs first. An application must be filed with the District Engineer and approval received, for any venting/flaring of gas beyond the initial 30 days or authorized period.

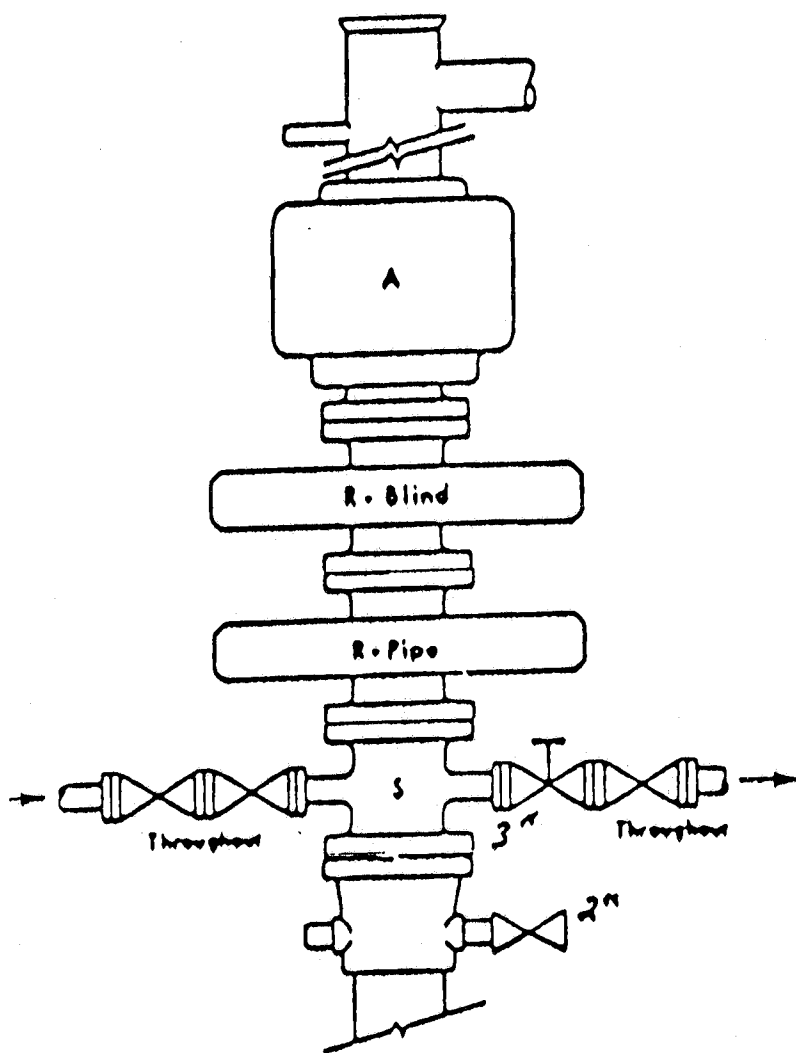
A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in 43 CFR 3162.7 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

A first production conference will be scheduled within 15 days after receipt of first production notice.

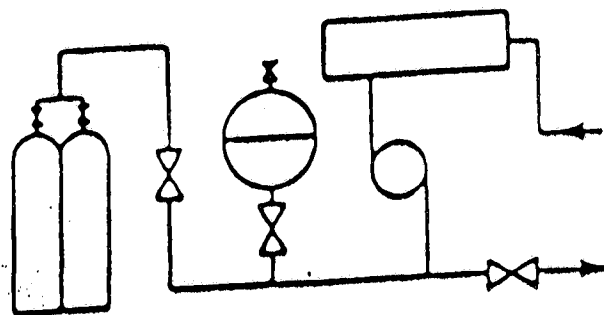
No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" form 3160-5, will be filed with the AO within 30 days following completion of the well for abandonment. This report will indicate where plugs were placed and current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

Pursuant to Onshore Oil and Gas order No.1, leasees and operators have the responsibility to see that their exploration, development, production, and construction operations are conducted in a manner which conforms with applicable Federal laws and regulations and with State and local laws and regulations to the extent that such State and local laws are applicable to the operations on Federal or Indian lands.

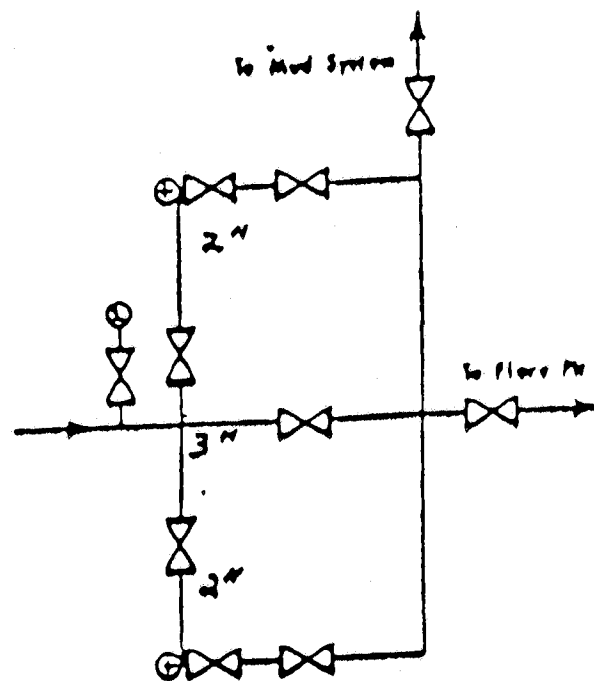
PRESSURE RATING
3,000 psi



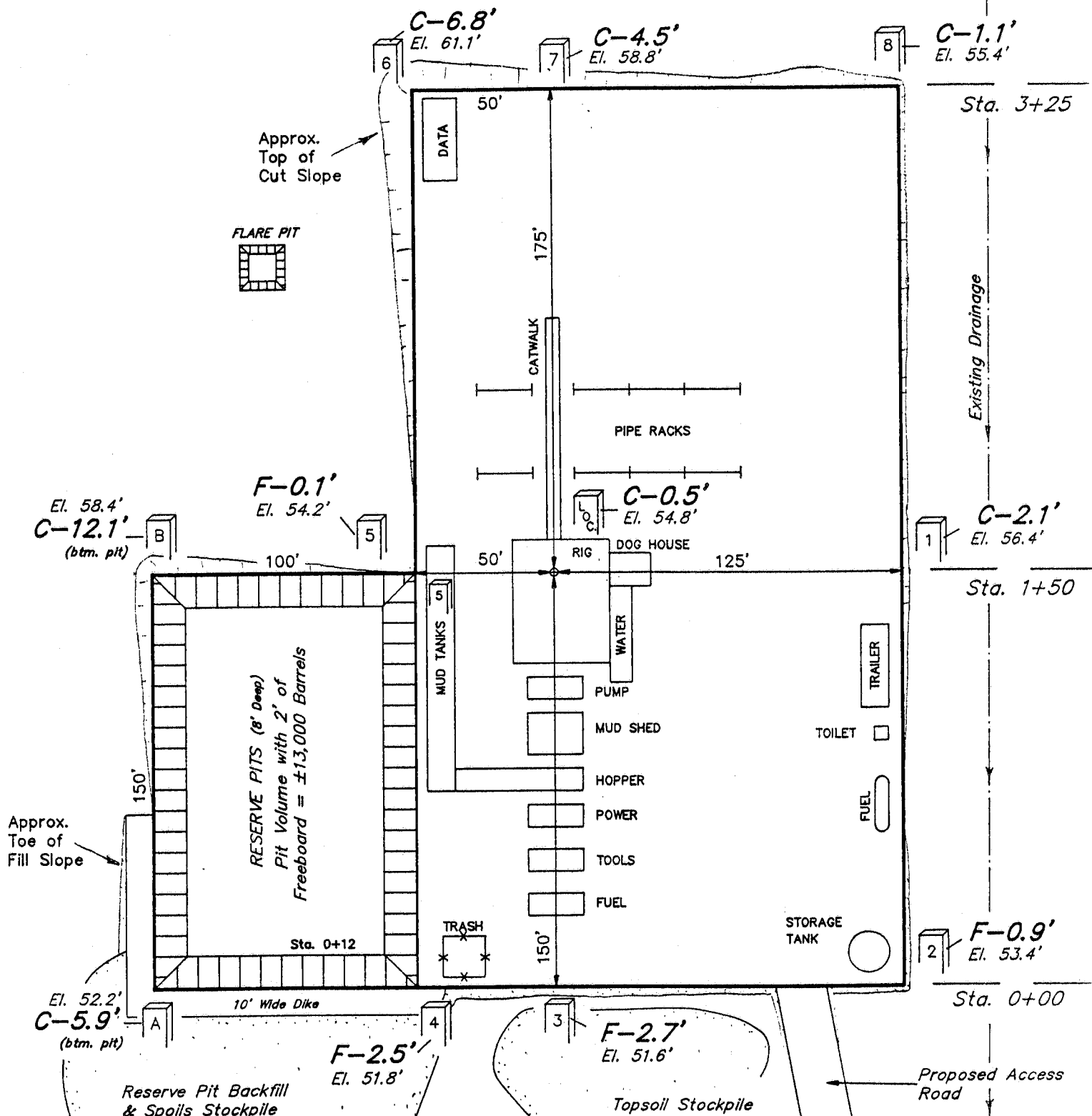
BLOWOUT PREVENTION STACK



ACCUMULATOR SYSTEM



Flanged Connections Throughout
MANIFOLD SYSTEM



APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 1,350 Cu. Yds.
Remaining Location	= 6,740 Cu. Yds.
TOTAL CUT	= 8,090 CU.YDS.
FILL	= 1,790 CU.YDS.

EXCESS MATERIAL AFTER 5% COMPACTION	= 6,210 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.)	= 3,150 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation)	= 3,060 Cu. Yds.

E

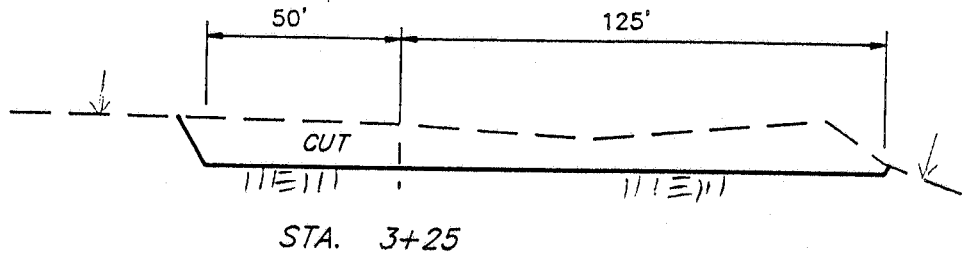
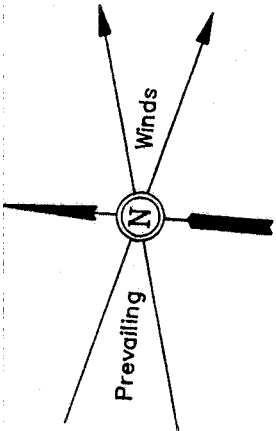
E/e

WARREN AMERICAN OIL CO.

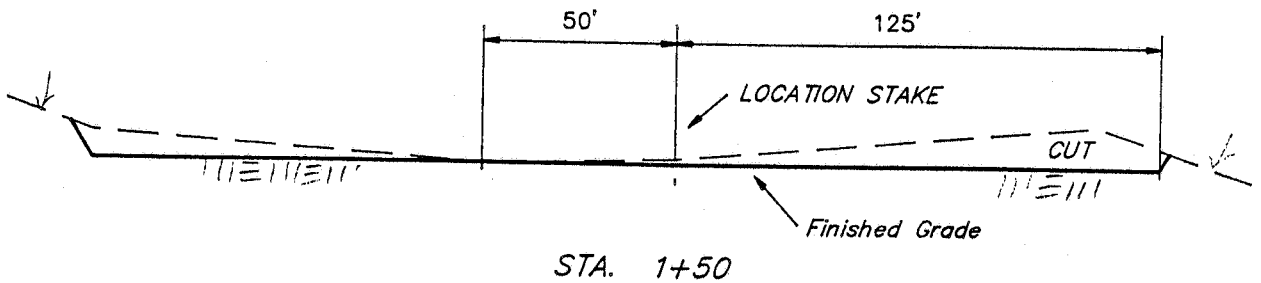
LOCATION LAYOUT FOR

UTE TRIBAL #17-1

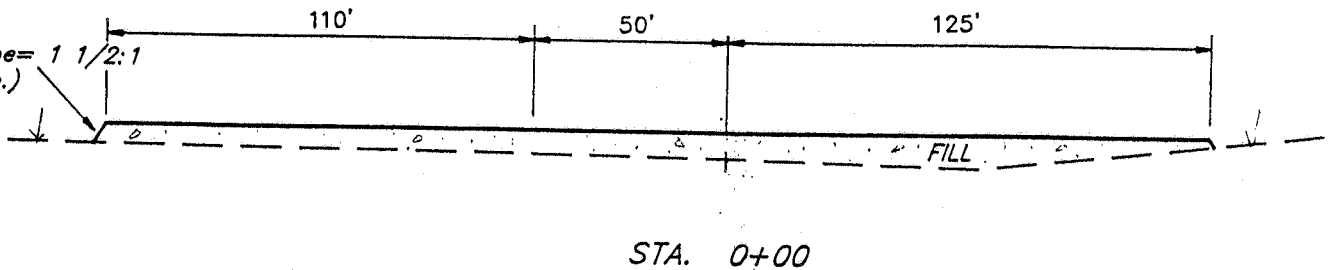
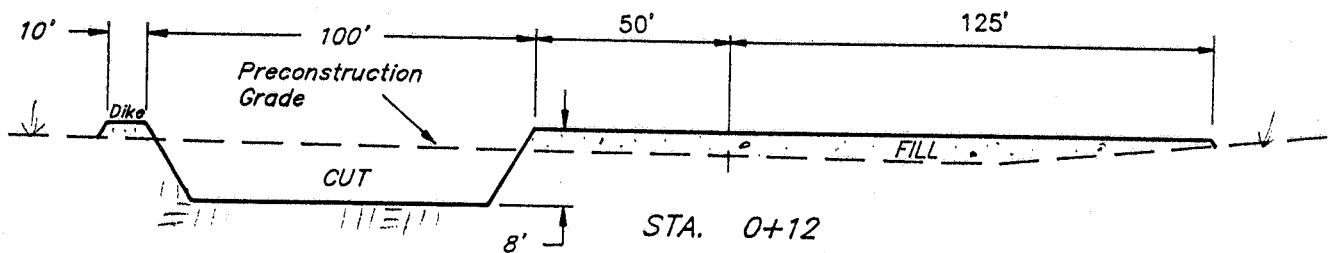
SECTION 17, T4S, R1E, U.S.B.&M.



SCALE: 1" = 50'
DATE: 12-11-90
Drawn By: J.R.S.



1" = 20'
X-Section.
Scale
1" = 50'



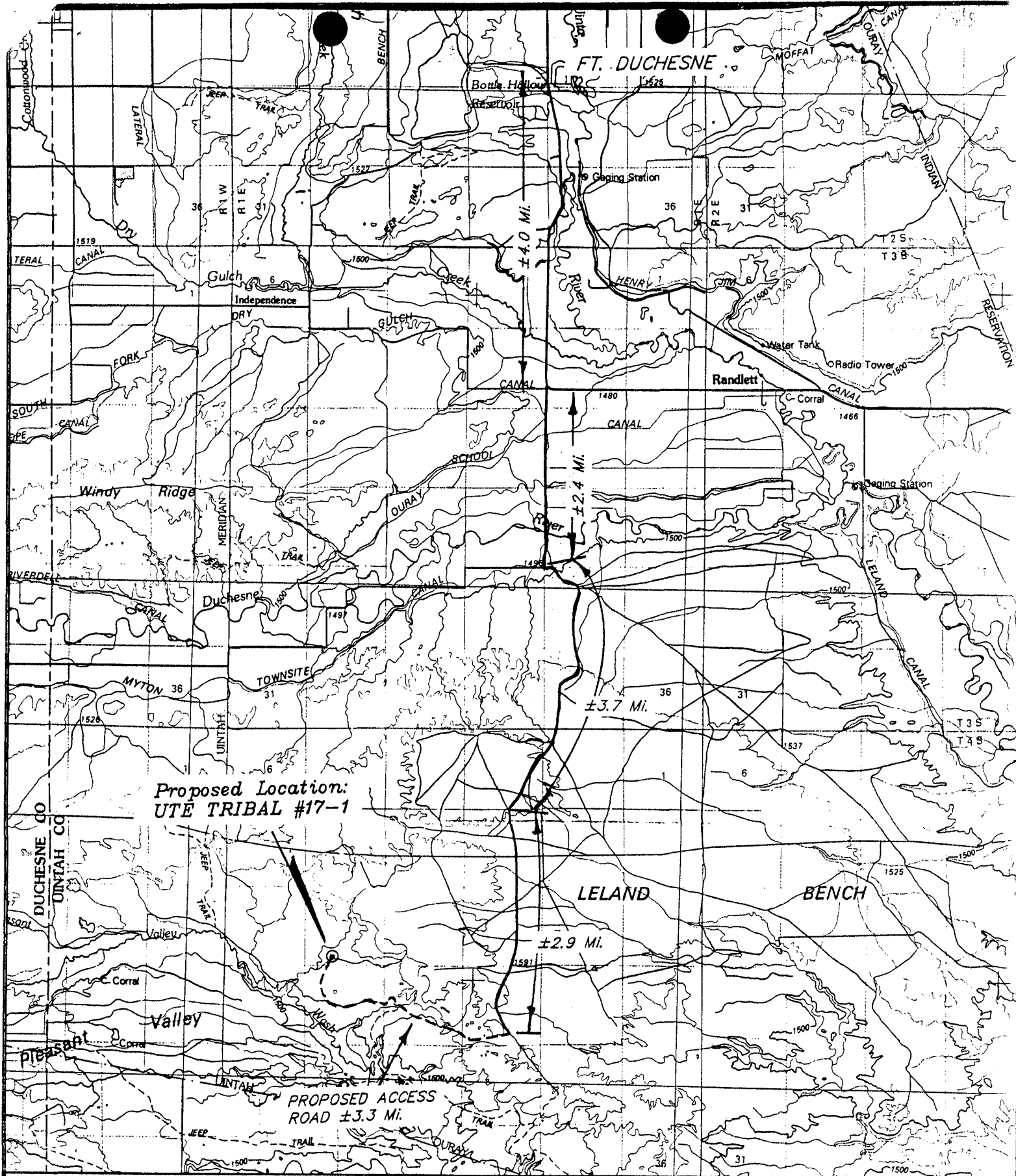
Graded Ground at Location Stake = 4954.8'

Graded Ground at Location Stake = 4954.3'

UINTAH ENGINEERING & LAND SURVEYING

85 So. 200 East Vernal, Utah

TYP. LOCATION LAYOUT
TYP. CROSS SECTIONS

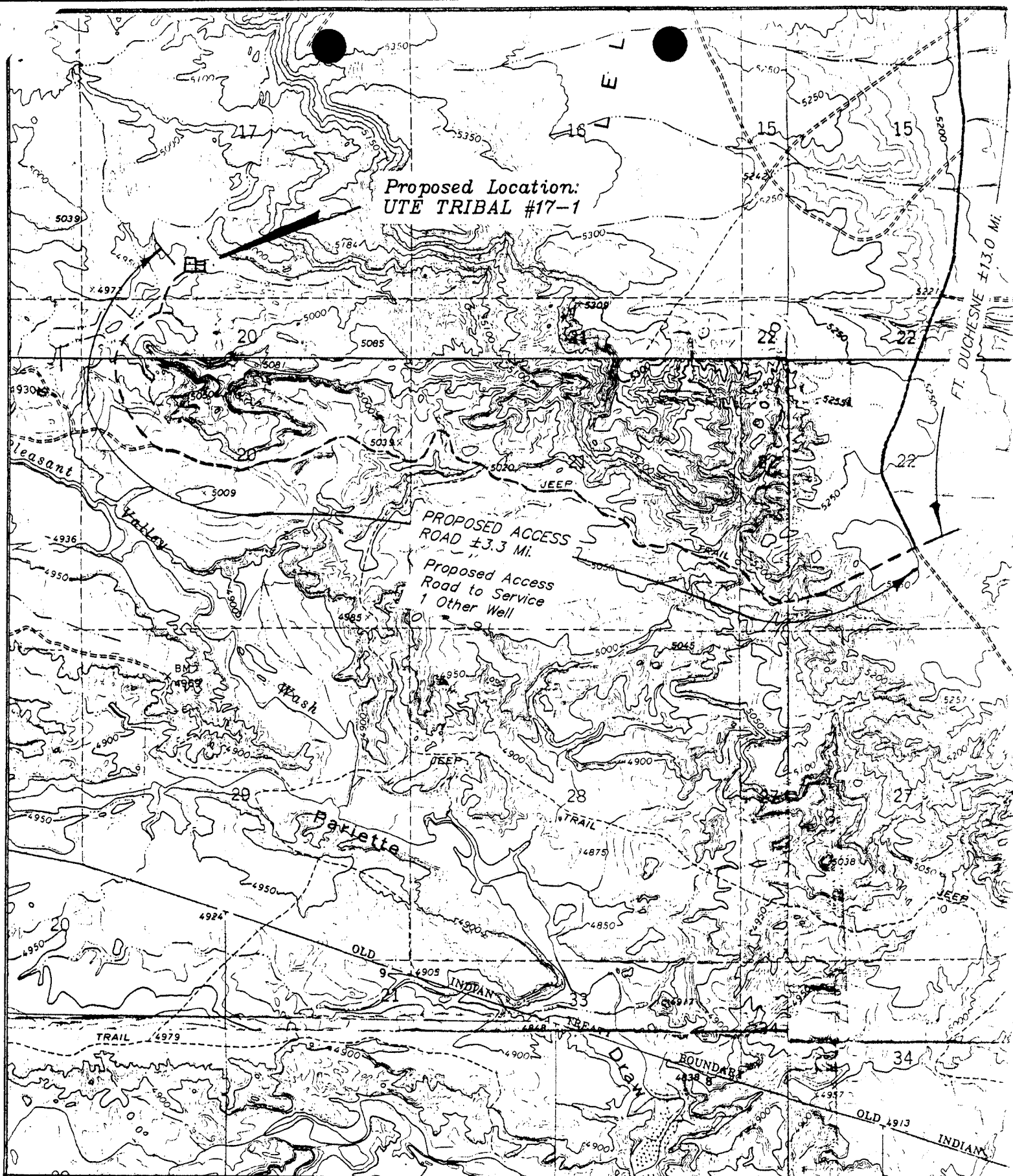


TOPOGRAPHIC
MAP "A"

DATE: 12-11-90

WARREN AMERICAN OIL CO.

UTE TRIBAL #17-1
SECTION 17, T4S, R1E, U.S.B.&M.



TOPOGRAPHIC
MAP "B"

SCALE: 1" = 2000'

DATE: 12-11-90



WARREN AMERICAN OIL CO.

UTE TRIBAL #17-1

SECTION 17, T4S, R1E, U.S.B.&M.

WARREN AMERICAN OIL COMPANY

Ute Tribal 17-1

1. EXISTING ROADS:

See Attached Topographic Map A".

To get to the 17-1 location proceed south of Fort Dushesne to the Duchesne River. Cross the river and take a left on the gravel road across Leland Bench some 6 miles. Turn right and go 3.3 mile on the new road to the 17-1 location.

There will be no additional construction on the above mentioned roads.

2. PLANNED ACCESS ROAD:

- A. Length - .3 miles
- B. Width - 30 foot right-of-way 18 foot running surface
- C. Maximum Grades - 5%
- D. Turnouts - none
- E. Drainage Design - Barrow pits and low water crossings.
- F. Location and size of culverts and/or bridges, and brief description of any major cuts and fills-
- None
- G. Surfacing material (source) - From location and
access road.
- H. Necessary gates, cattleguards, or fence cuts and/or modification to existing facilities - None
- I. Access road surface - Ute Tribe

All travel will be confined to existing access road right-of-way.

Access roads and surface disturbing activities will conform to standards outlined in the BLM and Forest Service 1989 Surface Operating Standards for Oil and Gas Development.

For H2S safety purposes a foot path will be designated to depart from the location going south near point 8.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading, the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed to they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around them avoided.

Right-of-Way Application needed.

From the BIA 2.8 miles

The operator/lessee or his/her successor shall be responsible for all maintenance on cattleguards or gates associated with this oil and/or gas operation.

3. LOCATION OF EXISTING WELLS:

There are no existing oil wells in the area.

There are no known water wells, temporarily abandoned wells, disposal wells, drilling wells, shut in wells or injection wells within a one mile radius of the proposed well.

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES:

In the event that production is established, plans for a flowline from this location to existing lines in the area will be submitted to the proper authorities and the existing area of the location will be utilized for the establishment of the necessary production facilities.

The area will be built if possible with native materials and if these materials are not available, then the necessary arrangements will be made to get them from private sources.

These facilities will be constructed using bulldozers, graders and workmen crews to construct and place the proposed facilities.

All permanent (on site for six months or longer) structures

constructed or installed (including oil well pumpjacks) will be painted a Desert Brown color. All facilities will be painted within six months of installation. Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

If a tank battery is constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the volume of the largest tank.

Tank batteries will be placed on the west side near point 7.

All loading lines will be placed inside the berm surrounding the tank battery.

If there is any deviation from the above, all appropriate agencies will be notified.

Rehabilitation of disturbed areas no longer needed for operations after construction is completed will meet the requirements of item # 10.

All site security guidelines identified in 43 CFR 3162.7 regulations will be adhered to.

All off-lease storage, off-lease measurement, or commingling on-lease or off-lease will have prior written approval from the AO.

Gas meter runs for each well will be located within 500' of the wellhead. The gas flowline will be buried, or anchored down from the wellhead to the meter and 500' downstream of the meter run or any production facilities. Meter runs will be housed and/or fenced.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Test for meter accuracy will be conducted monthly for the first three months on new meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with the API standards for liquid hydrocarbons and AGA standard for natural gas measurement.

If at any time the facilities located on public land and authorized by the terms of the lease are no longer included in the lease (due to a contraction in the unit or other lease or unit boundary change), BLM will process a change in authorization to the appropriate statute. The authorization will be subject to appropriate rental or other financial obligation as determined by the AO.

5. LOCATIONS AND TYPE OF WATER SUPPLY:

Water to be used for drilling and completion of this well will be hauled by truck from the Duchesne River. The water permit will be obtained before drilling starts.

In the event that the above sources are not used, other arrangements will be made with the proper authorities for an alternate source.

All regulations and guidelines will be followed and no deviations will be made unless all concerned agencies are notified.

There will be no water well drilled at this location site.

6. SOURCE OF CONSTRUCTION MATERIALS:

The surface is Ute Tribal.

All construction materials for this location site and access road shall be borrow materials accumulated during construction of the location site and access road. No additional road travels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources. A minerals material application is not required.

The native materials that will be used in construction of this location site and access road will consist of sandy-clay soil, sandstone and shale material gathered during the actual construction of the road and location.

7. METHODS FOR HANDLING WASTE DISPOSAL:

See location layout sheet.

A reserve pit will be constructed.

The reserve pit will be approximately 6' deep and at least one half of this depth shall be below the surface of the existing ground.

The reserve pit shall be used for storing water and cuttings from the drilling of the well.

In order to prevent contamination to surrounding areas, and to conserve water, the reserve pit will be lined with a plastic liner, with a minimum 12 mill thickness.

The pits will have wire and overhead flagging installed if deemed necessary to protect the water fowl, wildlife and domestic animals.

At the onset of drilling, the reserve pit will be fenced on three sides and at the time drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and other reclamation activities are attempted.

Drilling fluid, water and oil from testing will be disposed of at an approved disposal site.

When the reserve pit dries and reclamation activities commence, the liner will be folded over to enclose the cuttings and prevent ground water from seeping into the cuttings. The pits will be covered with a minimum of four feet of soil and all requirements in item # 10 will be followed.

All garbage and other waste material will be contained in a trash basket made of small mesh wire and will be taken to the nearest sanitary landfill for disposal upon completion of the well.

A portable chemical toilet will be supplied for human waste.

After first production, produced waste water will be confined to a lined pit or storage tank for a period not to exceed ninety (90) days. During the 90 day period, in accordance with NTL-2B, an application for approval of a permanent disposal method and location, along with required water analysis, shall be submitted for the AO's approval. Failure to file an application within the time allowed will be considered an incident of noncompliance.

8. ANCILLARY FACILITIES:

There are no ancillary facilities planned for at the present time and none foreseen in the near future. Camp facilities or an airstrip will not be required.

9. WELL SITE LAYOUT:

See attached location layout sheet.

The reserve pit will be located on the north side between points 4 and 5. The flare pit will be located downwind of the prevailing wind on the east side of location a minimum of 150' from the wellhead and 30' from the reserve pit fence.

The stockpiled topsoil will be stored on the west side near point 3, so as not to interfere with drainage.

Access to the well pad will be from the west, near point 2.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a. 30-inch net wire shall be used with at least one strand of barbed wire on top of the net wire (barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)
- b. The net wire shall be no more than 2-inches above the ground. The barbed wire shall be 3-inches above the net wire. Total height of the fence shall be at least 42 inches.
- c. Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.
- d. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than 16 feet.
- e. All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three sides during drilling operations and on the fourth side when the rig moves off the location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and upon completion of construction the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is to be regularly travelled. If the well is a producer, the cattleguard (shall/shall not) be permanently mounted on concrete bases. Prior to a new road, crossing any fence located on federal land, or any fence between federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

All involved agencies shall be notified before any construction begins on the proposed location site and road.

10. PLANS FOR RESTORATION OF SURFACE:

Immediately upon well completion, the location and surrounding area will be cleared of all debris, materials, trash and junk not required for production.

Before any dirt work to restore the location takes place, the reserve pit must be completely dry and all cans, barrels, pipe,

etc. will be removed. The reserve pit and that portion of the location and access road not needed for production facilities/operations will be reclaimed. The reserve pit will be reclaimed within 120 days from the date of well completion.

All disturbed areas will be recontoured to the approximate natural contours.

The stockpiled topsoil will be evenly distributed over the disturbed areas.

Prior to reseeding, all disturbed areas, including the access road, will be scarified and left with a rough surface.

Seed will be broadcast or drilled at a time specified by the BLM. If broadcast, a harrow or some other implement will be dragged over the seeded area to assure seed coverage and the seed mixture will be proportionately larger (double the lbs. per acre).

An appropriate seed mixture will be determined by the BLM, either as part of the Conditions of Approval of the APD or at the time restoration activities are scheduled to begin.

All seeding will be done from September 15, until the ground freezes, or in the spring before April 15.

At such time as the well is plugged and abandoned the operator will submit a surface reclamation plan to the Surface Management Agency for prescribed seed mixtures and reseeding requirements.

Restoration activities shall begin within 8 months after completion of the well. Once completion activities have begun, they shall be completed within 30 days.

11. SURFACE AND MINERAL OWNERSHIP:

The surface for all constructed roads and well location is under the jurisdiction of the Ute Tribe. The minerals are Ute Tribal.

12. OTHER INFORMATION:

The operator is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is to immediately stop work that might further disturb such materials, and contact the AO. Within five working days the AO will inform the operator as to:

-whether the materials appear eligible for the National Register of Historic Places;

-the mitigation measures the operator will likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and

-a time frame for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

a. If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO will assume responsibility for whatever recordation and stabilization of the exposed materials may be required. Otherwise, the operator will be responsible for mitigation costs. The AO will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that required mitigation has been completed, the operator will then be allowed to resume construction.

b. The operator will control noxious weeds along right-of-way for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds may be obtained from the BLM administered land it is required that a Pesticide Use Proposal be submitted, and given approval, prior to the application of herbicides or other pesticides or possible hazardous chemicals.

c. Drilling rigs and/or equipment used during drilling operations on this wellsite will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

ON BIA administered land:

Operator's employees, including subcontractors, will not gather firewood along roads constructed by operators. If wood cutting is required, a permit will be obtained from the Forestry Department of the BIA pursuant to 25 CFR 169.13 "Assessed Damages Incident to Right-of-Way Authorization". All operators, subcontractors, vendors and their employees or agents may not disturb saleable timber (including firewood) without a duly granted wood permit from the BIA Forester.

If the surface right are owned by the Ute Indian Tribe and mineral rights are owned by another entity, an approved rights-of-way will be obtained from the BIA before the operator begins any construction activities. If the surface is owned by

another entity and the mineral rights are owned by the Ute Indian Tribe, rights-of-way will be obtained from the other entity.

All roads constructed by operators on the Uinta and Ouray Indian Reservation will have appropriate signs. Signs will be neat and of sound construction. They will state: (a) that the land is owned by the Ute Indian Tribe, (b) the name of the operator, (c) that firearms are prohibited to all non-Ute Tribal members, (c) that permits must be obtained from the BIA before cutting firewood or other timber products and (e) only authorized personnel permitted.

All well site locations on the Uinta and Ouray Indian Reservation will have an appropriate sign indicating the name of the operator, the lease serial number, the well name and number, the survey description of the well (either footages or the quarter-quarter section, the section, township, and range).

Additional Surface Stipulations for BLM, BIA, FS, DWR, or Private Surface Lands:

The operator or his contractor shall contact the BLM Offices at 801-789-1362 between 24 and 48 hours prior to construction activities. Contact Ralph Brown

The BLM Office will be notified upon site completion prior to moving on the drilling rig.

The flare pit will be located a minimum of 30' from the reserve pit fence and 150' from the bore hole on the downwind side of the location near point B. All fluids will be removed from the pit within 48 hours of occurrence.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

A complete copy of the approved APD and ROW grant, if applicable, shall be on location during construction of the location and drilling activities.

The operator or his/her contractor shall contact the BLM Office at (801) 789-1362 forty-eight (48) hours prior to construction activities.

The BLM Office shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATORS REPRESENTATIVE:

Kenneth B. Allen
Cochrane Resources, Inc.
P.O. Box 1656
Roosevelt, Utah 84066
Telephone: 801-722-5081

CERTIFICATION:

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct, and that the work associated with the operation proposed herein will be performed by Warren American Oil Co., and its contractors and subcontractors in conformity with this plan and terms and conditions under which it is approved.

Jan 19 1991
DATE

Kenneth B. Allen
KENNETH B. ALLEN

OPERATOR Western American Oil Co 1-0800 DATE 1-08-91

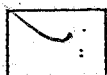
WELL NAME Wte 17-1

SEC SESW 17 T 45 R 1E COUNTY Montah

43-047-31941
API NUMBER

Indian (v)
TYPE OF LEASE

CHECK OFF:



PLAT.



BOND



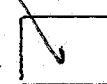
NEAREST
WELL



LEASE



FIELD



POTASH OR
OIL SHALE

PROCESSING COMMENTS:

no other well within sec 17. 45. 1E.
water permit

APPROVAL LETTER:

SPACING:



R615-2-3

N/A
UNIT



R615-3-2



N/A

CAUSE NO. & DATE



R615-3-3

STIPULATIONS:

1- water permit
CC: BIA



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

January 29, 1991

Warren American Oil Company
P. O. Box 470372
Tulsa, Oklahoma 74147-0372

Gentlemen:

Re: Ute 17-1 - SE SW Sec. 17, T. 4S, R. 1E - Uintah County, Utah
549' FSL, 1832' FWL

Approval to drill the referenced well is hereby granted in accordance with R615-3-2, Oil and Gas Conservation General Rules, subject to the following stipulation:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Chapter 3, Title 73, Utah Code Annotated.

In addition, the following actions are necessary to fully comply with this approval:

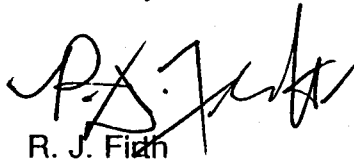
1. Spudding notification within 24 hours after drilling operations commence.
2. Submittal of an Entity Action Form within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.
3. Submittal of the Report of Water Encountered During Drilling, Form 7.
4. Prompt notification if it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or Jim Thompson, Lead Inspector, (Home) 298-9318.
5. Compliance with the requirements of R615-3-20, Gas Flaring or Venting, Oil and Gas Conservation General Rules.

Page 2
Warren American Oil Company
Ute 17-1
January 29, 1991

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of General Sanitation, telephone (801) 538-6121.
7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-047-31941.

Sincerely,



R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
Bureau of Indian Affairs
J. L. Thompson
we14/1-12

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK

DRILL ☒

DEEPEN ☐

PLUG BACK ☐

b. TYPE OF WELL

OIL
WELL ☒

GAS
WELL ☐

OTHER

SINGLE
ZONE

MULTIPLE
ZONE

2. NAME OF OPERATOR

Warren American Oil Company

3. ADDRESS OF OPERATOR

P.O. Box 470372 Tulsa, Oklahoma 74147--372

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)
At surface

549' FSL 1832' FWL SE SW

At proposed prod. zone

14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE*

15 Miles south of Fort Duchesne, Utah

15. DISTANCE FROM PROPOSED*

LOCATION TO NEAREST

PROPERTY OR LEASE LINE, FT.

(Also to nearest drlg. unit line, if any)

549'

16. DISTANCE FROM PROPOSED LOCATION*

TO NEAREST WELL, DRILLING, COMPLETED,

OR APPLIED FOR, ON THIS LEASE, FT.

16. NO. OF ACRES IN LEASE

19. PROPOSED DEPTH

6500'

17. NO. OF ACRES ASSIGNED
TO THIS WELL

40

20. ROTARY OR CABLE TOOLS

Rotary

21. ELEVATIONS (Show whether DF, RT, GR, etc.)

4955' G.R.

22. APPROX. DATE WORK WILL START*

February 1, 1991

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	J-55 24# STC	300' new	to surface
7 7/8"	5 1/2"	J-55 17# LTC	6500' new	as required

T.D. on this well will be 6500' in the Green river Formation.

See:

8 Point compliance Program
13 Point Surface Use Plan
B.O.P. Diagram
Plat of Location
Cut and Fill Sheets
Topographic Map

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

SIGNED

TITLE

Agent

DATE

January 18, 1991

(This space for Federal or State office use)

PERMIT NO.

APPROVAL DATE

APPROVED BY

TITLE

ASSISTANT DISTRICT
MANAGER MINERALS

DATE

8/22/91

NOTICE OF APPROVAL

CONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Dio OGKM

memorandum

DATE: January 9, 1991

REPLY TO
ATTN OF: Superintendent, Uintah and Ouray AgencySUBJECT: Warren American Oil Company: Ute Tribal 17-1
Sec. 17-T4S-R1ETO: Bureau of Land Management, Vernal District Office
Attention: Mr. Ralph Brown

We recommend approval of the Application for Permit to Drill on the subject well.

Based on available information received on 12/28/90, we have cleared the proposed location in the following area of environmental impact.

YES <u>XX</u>	NO <u> </u>	Listed threatened or endangered species
YES <u>XX</u>	NO <u> </u>	Critical wildlife habitat
YES <u>XX</u>	NO <u> </u>	Archaeological or cultural resources
YES <u> </u>	NO <u> </u>	Air quality aspects (to be used only if
		Project is in or adjacent to a Class I
		area of attainment)
YES <u> </u>	NO <u> </u>	Other (if necessary)

REMARKS: Make reference to Item No. 6 - MITIGATION STIPULATIONS;

"Reserve pits will be lined with a synthetic liner. Fluids will be removed from the pit as soon as possible after the well is completed. Liner will be folded over contents of the pit before the pit is backfilled."



ENVIRONMENTAL ANALYSIS

LEASE HOLDER (PERMITTEE): Warren American Oil Company
LEASE OR WELL NO: Ute Tribe #17-1
SITE LOCATION: Section 17, T4S, R1E, USB&M.
DATE: December 28, 1990

1. SITE DESCRIPTION

ELEVATION: 4920
PRECIPITATION: 4-6 inches annually
TOPOGRAPHY: Flat canyon bottom
SOILS: Gravelly clay loam

2. VEGETATION

HABITAT TYPE: Shadscale
PERCENT GROUND COVER: 30%
DOMINANT VEGETATION: Shadscale, Spiny horse brush, Yellow bush, Indian rice
Galletta, Three awn, Prickly pear, Rabbit brush, Greasewood, Halogeton
other annuals.
OBSERVED THREATENED OR ENDANGERED SPECIES: None
POTENTIAL FOR THREATENED OR ENDANGERED SPECIES: Very slight

3. WILDLIFE

WILDLIFE OBSERVATIONS: Mule deer, rabbits, coyote, fox, rodents, reptiles
raptors.
PRESENT SITE UTILIZATION: Mule deer, rabbits, coyote, fox, rodents
reptiles, raptors.
POTENTIAL SITE UTILIZATION: Raptors
OBSERVED THREATENED AND ENDANGERED SPECIES: None
POTENTIAL FOR THREATENED OR ENDANGERED SPECIES: Bald eagle may fly over this
site during winter months.

4. EXISTING SITE USES

RANGELAND: X	IRRIGATED CROPLAND:	IRRIGATED PASTURELAND:
PRIME TIMBERLAND:	PINYON/JUNIPER:	

5. ENVIRONMENTAL IMPACTS

WELL SITE: 1.65 Ac.	ROAD: .36 Ac.
ACRES DISTURBED: 2.01	WILDLIFE HABITAT DISTURBED: 2.01
PRODUCTION LOSSES: 0.1 AUM/year.	

OTHER IMPACTS: LONG TERM: A permanent scars will remain on the soil surface
and production may be reduced slightly.

SHORT TERM: Some disturbance of wildlife and range production will be lost
on disturbed areas for the life of the well.

6. MITIGATION STIPULATIONS

Reserve pits will be lined with a synthetic liner. Fluids will be removed from the pit as soon as possible after the well is completed. Liner will be folded over contents of the pit before the pit is backfilled.

7. CONSULTATION

Ken Allen, Warren American Oil Company
Lanny Taylor, Uintah Engineering
Jim Justice, Contractor
Pat Padia, Ute Tribal Energy & Minerals
Dale Hanberg, BIA
Ralph Brown, BLM

8. UNAVOIDABLE ADVERSE EFFECTS

None of the adverse effects listed in item #5 above can be avoided in a practical manner except those which were mitigated in item #6 above.

9. RELATIONSHIP BETWEEN SHORT-TERM AND LONG-TERM PRODUCTIVITY

As long as oil and gas wells are producing and the access are retained there will a total loss of production on the land and the environmental impacts will continue to effect the surrounding area. Normally oil and gas wells produce from 15 to 30 years. After the wells stop producing it is standard policy to restore the surface to near its original condition. Occasionally the site occupied by the well or road can be restored to produce as much as it originally produced, but most of the time it cannot be restored to its original productive capacity, therefore, the land surface productive ability will permanently damaged.

10. IRREVERSIBLE AND IRRETRIEVABLE COMMITMENT OF NATURAL RESOURCES

There are two irreversible and irretrievable resources committed in this action:

A. Oil Or Gas: Oil and gas are a non-renewable resource. Once it has been removed it can never be replaced.

B. Damage To The Land Surface: There are three causes of damages to the soil surface due to oil or gas wells and road construction. (1) Gravel is normally hauled onto the site as a pad foundation for equipment and traffic to operate on. Gravel has low fertility and low waterholding capacity, therefore, after the site is restored the gravel must either be removed, or incorporated into the natural landscape. (2) Chemicals are often either accidentally spilled or intentionally applied to the site for weed and dust control. Generally, the chemicals are crude oil or production water, which may contain as much as 20,000 PPM of salts. Once chemicals become incorporated in the soil they are difficult to remove and interfere with the

soils ability to produce vegetation. (3) Soil compaction occurs where the site is subject to stormy wet weather and traffic from heavy trucks and equipment. Each of the above items cause soil damage and after the site is restored the productive ability of the soil will be damaged permanently.

11. ALTERNATIVES

A. No Program: This alternative refused the authorization of the application for permit to drill, this action would not allow the operator to enter upon the land surface to drill for oil or gas. Because the minerals usually cannot be developed without encroachment on the surface, the mineral estate is normally and traditionally designated as dominant, and the surface ownership subservient. The mineral operator's conduct is generally prescribed only by the rule of reasonableness and the limitations that he is not permitted to act in a wanton or negligent manner. Within their confines, the operator has considerable latitude in the necessary use of the surface to produce and develop the mineral estate. Therefore, if the application for permit is not signed, the operator would undoubtedly initiate court proceedings against the surface owner, in this case the Ute Tribe and the Bureau of Indian Affairs. Historically the courts have upheld the right of the mineral owner to develop the mineral resources regardless of the surface owners desire. Therefore, the operator's rights will likely be upheld if B. I. A. refuses to sign the Application for Permit to drill this well.

B. Sign The Application For Permit To Drill: The alternative authorizes the operator to drill for oil or gas as prescribed in the application, providing it complies with stipulations which are considered reasonable as specified in paragraph 4 above under Mitigating Measures.

12. WE (CONCUR WITH OR RECOMMEND) APPROVAL OF THE APPLICATION FOR PERMIT TO THE SUBJECT WELL

Based on available information 12/28/90, we have cleared the proposed location in the following areas of Environmental Impact:

YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Listed threatened or endangered species.
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Critical wildlife habitat.
YES <input checked="" type="checkbox"/>	NO <input type="checkbox"/>	Historical or cultural resources.
YES <input type="checkbox"/>	NO <input type="checkbox"/>	Air quality aspects (to be used only if project is in or adjacent to a Class 1 area of attainment).

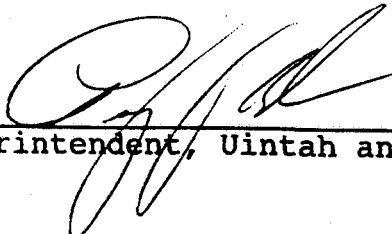
REMARKS:

The necessary surface protection and rehabilitation requirements are specified above.


for Dale S. Hanberg, Range Conservationist,
B. I. A. Representative

13. DECLARATION

It has been determined that the drilling of the above well is not a federal action significantly affecting the quality of the environment as would require the preparation of an environmental statement in accordance with Section 102 (2) (C) of the National Environmental Policy Act of 1969 (42 USC 4331) (2) (C).



Superintendent, Uintah and Ouray Agency

cc: Roland McCook, BIA Realty
Charles Cameron, BIA O&G
Farron Secakuku, Ute Tribal E&M

Revised November 1990

Date NOS Received: 11/29/91

CONDITIONS OF APPROVAL
FOR APPLICATION FOR PERMIT TO DRILL

Company/Operator: WARREN AMERICAN OIL COMPANY
Well Name & Number: 17-1
Lease Number: 14-20-H62-4376
Location: SESW Sec. 17 T. 4S R. 1E
Surface Ownership: Tribal

NOTIFICATION REQUIREMENTS

- Location Construction - at least forty-eight (48) hours prior to construction of location and access roads.
- Location Completion - prior to moving on the drilling rig.
- Spud Notice - at least twenty-four (24) hours prior to spudding the well
- Casing String and Cementing - at least twenty-four (24) hours prior to running casing and cementing all casing strings.
- BOP and Related Equipment Tests - at least twenty-four (24) hours prior to initiating pressure tests.
- First Production Notice - within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office. Copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

The Vernal District Office shall be notified, at least twenty-four (24) hours prior to initiating pressure tests, in order to have a BLM representative on location during pressure testing.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

Usable water may be encountered from the surface to +730 ft. in the Uinta formation. Saline water may be encountered from +730-2050 ft. in the Uinta formation and from +2050-6500 ft. in the Green River formation. The Mahogany oil shale and the L1 oil shale have been identified from +3900-3990 ft. and +4100-4170 ft. respectively.

Therefore, as a minimum, the resources shall be isolated and/or protected via the cementing program for the production casing by having a cement top for the production casing at least 200 ft. above the base of the usable water zone identified at +730 ft. Also, if tar sands are encountered, they will need to be isolated and/or protected via the cementing program.

The Vernal District Office shall be notified at least twenty-four (24) hours prior to the running and cementing of all casing strings, in order to have a BLM representative on location while running and cementing all casing strings.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

A pH of 10 or above in a fresh water base mud system shall be maintained to control corrosion, H₂S gas returns to surface, and minimize sulfide stress cracking and embrittlement unless other formation conditions or mud types justify a lesser pH level.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the Authorized Officer. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the Authorized Officer (AO).

A cement bond log (CBL) shall be utilized to determine the top of cement (TOC) for the production casing.

At a minimum, the DLL log with Gamma Ray and Micro S FL shall be run from the base of the surface casing to TD.

6. Notifications of Operations

The Vernal District Office shall be notified during regular work hours (7:45 a.m. - 4:30 p.m., Monday through Friday, except holidays), at least twenty-four (24) hours PRIOR to spudding the well.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells, as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated, or the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of thirty (30) days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the AO. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to.

7. Other Information

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Gerald E. Kenczka Petroleum Engineer	(801) 781-1190
---	----------------

Ed Forsman Petroleum Engineer	(801) 789-7077
----------------------------------	----------------

BLM FAX Machine	(801) 789-3634
-----------------	----------------

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous:

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids.

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt wastes.

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation, and miscellaneous solids

B. THIRTEEN POINT SURFACE USE PROGRAM:

1. Location of Existing and/or Proposed Facilities

Tank batteries will be placed on the east side near point 7.

2. Methods for Handling Waste Disposal

The 12 mil. plastic nylon reinforced liner will have sufficient bedding (either straw or dirt) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit.

The pit liner will be folded over to prevent entrance of surface water after the pit is backfilled during rehabilitation.

3. Well Site Layout

The flare pit will be located downwind of the prevailing wind direction on the north side near point 6 a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.

4. Plans for Restoration of Surface

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with 43 CFR 3162.7-1.



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078



Phone (801) 789-1362

FAX (801) 789-3634

3162
UT08438

SEP 9 1992

Warren American Oil Company
PO Box 470372
Tulsa, OK 74147-0372

Re: Notification of Expiration
Well No. 17-1
Section 17, T4S, R1E
Lease No. 14-20-H62-4376
Uintah County, Utah

43-047-31941

Gentlemen:

The Application for Permit to Drill the above-referenced well was approved on August 22, 1991. Since that date, no known activity has transpired at the approved location. Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is notifying you the approval of the referenced application has expired. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

|s| HOWARD B. CLEAVINGER

Howard B. Cleavinger II
Assistant District Manager for
Minerals

cc: State Div. OG&M
Ken Allen

RECEIVED

SEP 11 1992

DIVISION OF
OIL GAS & MINING



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Norman H. Bangarter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

September 18, 1992

Warren American Oil Company
P.O. Box 470372
Tulsa, Oklahoma 74147-0372

Gentlemen:

Re: Well No. Ute 17-1, Sec. 17, T. 4S, R. 1E, Uintah County, Utah
API No. 43-047-31941

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval prior to the commencement of any future work on the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Don Staley
Administrative Manager
Oil and Gas

DME/lde

cc: R.J. Firth
Bureau of Land Management - Vernal
Well file

WOI196